



DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 21-31]

Arms Sales Notification

AGENCY: Defense Security Cooperation Agency, Department of Defense (DoD).

ACTION: Arms sales notice.

SUMMARY: The Department of Defense is publishing the unclassified text of an arms sales notification.

FOR FURTHER INFORMATION CONTACT: Neil Hedlund at neil.g.hedlund.civ@mail.mil or (703) 697-9214.

SUPPLEMENTARY INFORMATION: This 36(b)(1) arms sales notification is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996. The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 21-31 with attached Policy Justification and Sensitivity of Technology.

Dated: February 22, 2022.

Aaron T. Siegel,

Alternate OSD Federal Register Liaison Officer,

Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY
201 12TH STREET SOUTH, SUITE 101
ARLINGTON, VA 22202-5408

March 19, 2021

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives
H-209, The Capitol
Washington, DC 20515

Dear Madam Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 21-31 concerning the Army's proposed Letter(s) of Offer and Acceptance to the Republic of Korea for defense articles and services estimated to cost \$36 million. After this letter is delivered to your office, we plan to issue a news release to notify the public of this proposed sale.

Sincerely,

A handwritten signature in black ink, reading "Heidi H. Grant", is positioned below the word "Sincerely,".

Heidi H. Grant
Director

Enclosures:

1. Transmittal
2. Policy Justification
3. Sensitivity of Technology

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act, as amended

(i) Prospective Purchaser: Republic of Korea

(ii) Total Estimated Value:

Major Defense Equipment*	\$33 million
Other	<u>\$ 3 million</u>
TOTAL	\$36 million

(iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:

Major Defense Equipment (MDE):

Two hundred eighty-eight (288) AGM-114R Hellfire Missiles

Non-MDE:

Also included are AGM-114R spare parts; U.S. Government and contractor engineering, technical, and logistics support services; repair and return; storage; and other related elements of logistical and program support.

(iv) Military Department: Army (KS-B-ZIG)

(v) Prior Related Cases, if any: KS-B-ZHW

(vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None

(vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: See Attached Annex

(viii) Date Report Delivered to Congress: **March 19, 2021**

*As defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

Korea – AGM-114R Hellfire Missiles

The Republic of Korea (ROK) has requested to buy two hundred eighty-eight (288) AGM-114R Hellfire missiles. Also included are AGM-114R spare parts; U.S. Government and contractor engineering, technical, and logistics support services; repair and return; storage; and other related elements of logistical and program support. The estimated total cost is \$36 million.

This proposed sale will support the foreign policy and national security objectives of the United States by meeting the legitimate security and defense needs of one of the closest allies in the INDOPACOM Theater. The ROK is one of the major political and economic powers in East Asia and the Western Pacific and a key partner of the United States in ensuring peace and stability in that region. It is vital to U.S. national interests to assist the ROK in developing and maintaining a strong and ready self-defense capability.

The ROK intends to use these Hellfire missiles to supplement its existing missile capability and current weapon inventory for its AH-64E aircraft. The proposed sale will improve the ROK's capability to meet current and future threats and ensure interoperability with other AGM-114R Hellfire missile users in the region. The Republic of Korea will have no difficulty absorbing this equipment into its armed forces.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The principal contractor will be Lockheed Martin Corporation, Orlando, FL. The purchaser typically requests offsets. Any offset agreements will be defined in negotiations between the purchaser and the contractor.

Implementation of this proposed sale will not require the assignment of any additional U.S. Government or contractor representatives to the Republic of Korea.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act

Annex
Item No. vii

(vii) Sensitivity of Technology:

1. The AGM-114R is used against heavy and light armored targets, thin skinned vehicles, urban structures, bunkers, caves and personnel. The missile is Inertial Measurement Unit (IMU) based, with a variable delay fuse, improved safety and reliability.
2. The highest level of classification of defense articles, components, and services included in this potential sale is SECRET.
3. If a technologically advanced adversary were to obtain knowledge of the specific hardware or software elements, the information could be used to develop countermeasures that might reduce weapon system effectiveness or be used in the development of a system with similar or advanced capabilities.
4. A determination has been made that the Republic of Korea can provide substantially the same degree of protection for the sensitive technology being released as the U.S. Government. This proposed sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification.
5. All defense articles and services listed in this transmittal have been authorized for release and export to the Republic of Korea.